LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m., on TUESDAY, AUGUST 26, 2003, upon the application of CAMTERRA RESOURCES, INC. At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Hosston Zone, Reservoir A, Cotton Valley Formation, Reservoir A and the Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Webster Parish, Louisiana.

FOR THE HOSS RA SU113

1. To permit the applicant to drill, designate and utilize their Earl Gauthier 29 No. 1 Well as a unit well and their Burnett et al 29 No. 1 Well as an alternate unit well for the production of gas and condensate from the Hosston Zone, Reservoir A, in exception to the spacing provisions of the 361-A Series of Office fo Conservation Orders.

FOR THE CV RA SU131

1. To permit the applicant to drill, designate and utilize their Earl Gauthier 29 No. 1 Well and their Burnett et al No.29 No. 1 Well as additional alternate unit wells for the production of gas and condensate from the Cotton Valley Formation, in exception to the spacing provisions of the 361-B Series of Office of Conservation Orders.

FOR THE LCV RA SUOO

To permit the applicant to drill, designate and utilize their Earl Gauthier 29 No. 1 Well
as a unit well and their Burnett et al 29 No. 1 Well as an alternate unit well for the
production of gas and condensate from the Lower Cotton Valley Formation,
Reservoir A, in exception to the spacing provisions of the 361-E Series of Office of
Conservation Orders.

FOR HOSS RA SU117, THE CV RA SU131 AND THE LCV RA SUOO

- 1. To permit the unit operator to produce the assigned unit allowable from the unit well, the alternate unit wells or from a combination thereof at the discretion of the unit operator.
- 2. To find that a unit well and/or alternate unit well(s) are needed on each unit to assists in draining a portion of the unit that cannot be drained by any other well located therein.
- 3. To permit the applicant, Camterra Resources, Inc. to operate and report separately the production for the proposed Hosston Zone, Reservoir A, unit well and the alternate unit well, the Cotton Valley, Reservoir A, alternate unit wells and the Lower Cotton Valley, Reservoir A, unit well and the alternate unit well.
- 4. To permit the applicant to down hole combine the production from the Hosston Zone, Reservoir A, the Cotton Valley Formation, Reservoir A and the Lower Cotton Valley Zone, Reservoir A, in any well bore located with the units designated HOSS RA SU117, CV RA SU129 and the Lower Cotton Valley Zone, Reservoir A, and to assign the allowable and report production on the lower most defined interval.
- 5. To consider such other matters as may be pertinent.

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ELM GROVE FIELD 03-704 thru 03-706

The Hosston Zone, Reservoir A, in the Elm Grove Field, Bossier, Caddo and Webster Parishes, Louisiana, was defined in the 361-A Series of Office of Conservation Orders.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Bossier, Caddo and Webster Parishes, Louisiana, was defined in the 361-B Series of Office of Conservation Orders.

The Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Bossier, Caddo and Webster Parishes, Louisiana, was defined in Office of Conservation Order No. 361-E, effective July 16, 1996.

A plat is are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 8/8/03;8/13/03 S dpe

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION - ENGINEERING DIVISION AT P. O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.